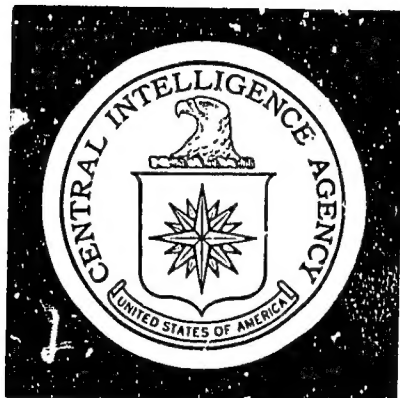


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DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

*Probable Effects Of Most-Favored-Nation Tariff Treatment
On Romanian Exports To The United States*

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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
January 1971

INTELLIGENCE MEMORANDUM

Probable Effects Of Most-Favored-Nation Tariff
Treatment On Romanian Exports To The United States

Introduction

Trade between the United States and Romania is a very small fraction of either US or Romanian foreign trade. Its development has been hampered mainly by the relatively stringent credit terms and direct controls applied to US exports to Romania and the lack of most-favored-nation (MFN) treatment on US imports from Romania. Beginning in 1964, the United States began to relax its restrictions on exports to Romania in recognition of the latter's independent stance vis-a-vis the USSR, but MFN status to Romania was not restored. This memorandum traces the development of US-Romanian trade since the revocation of MFN treatment of Romanian goods in 1951 and assesses the likely impact if Romania should regain MFN status.

Background

1. MFN status was withdrawn from Romania, as well as other Communist countries except Yugoslavia, in accordance with the Trade Agreements Extension Act of 1951. Romanian goods exported to the United States are subject to the high rates established by the Tariff Act of 1930 and are denied the substantial reductions from these rates negotiated since 1934.

Note: This memorandum was prepared by the Office of Economic Research.

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2. Trade between the United States and Romania historically has been a very small fraction of either US or Romanian foreign trade. Prior to the withdrawal of MFN treatment, Romanian exports to the United States were \$0.5 million or less. Meanwhile, US exports to Romania fell from nearly \$8 million in 1948 to almost nothing by 1952, reflecting the growing cold war atmosphere and attendant US export controls. During the period 1955-63, US-Romanian trade inched forward, more or less in balance, as cold war tensions eased (see Table 1).

3. Beginning in 1964, the US attitude toward trade with Romania softened in recognition of the latter's increasingly independent stance vis-a-vis the USSR. The relaxed US export policy implemented in that year had a substantial impact on US exports to Romania, which jumped from about \$1 million in 1963 to some \$5 million in 1964. In 1969, US exports to Romania were valued at more than \$32 million and prospects for 1970 are for US exports in excess of \$60 million. Relaxed US export controls, however, have led to large US surpluses in trade with Romania, as US imports, while increasing steadily, could not keep pace with the growth of US exports. The US surpluses grew from about \$4 million in 1964 to about \$24 million in 1969. The preliminary estimate for 1970 is for a US surplus of roughly \$50 million.

4. The sharp increase in US trade with Romania in recent years is largely an outgrowth of Romania's policy to expand trade with non-Communist countries and the United States' desire to cooperate with this policy. This policy has its roots in the Romanian regime's intense desire to loosen economic ties that bound it to the USSR and the more developed East European Communist countries, ties which had inhibited the development of a diversified industrial sector in Romania. As this objective was pursued, Romanian trade with the developed West (according to Romanian statistics) grew seven times during the 1960s, and its share in total Romanian trade grew from 15% in 1959 to 35% in 1969. Moreover, the diversification of Romanian industry affected the commodity structure of Romanian exports to the developed West. For example, the share of crude materials dropped from roughly 35% in 1960 to 25% in 1969, while that of manufactured goods -- chiefly

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metallurgical products but also machinery and equipment and manufactured consumer goods -- rose from 10% of the total during 1960-65 to nearly 30% in 1969. Romania began shifting its trade to Western Europe in 1960. US interest developed about three years later, when Romanian-Soviet differences came into the open.

Changing Composition of Romanian Exports to the United States

5. Since 1964, Romanian exports to the United States have both grown and become more diversified. Until the early 1960s, they featured undressed furs, natural fertilizers, and other crude materials and foods for which there was little or no difference between the 1930 and MFN rates. The years 1962-65, however, marked a period of transition as Romanian manufactured goods were introduced on a larger scale than previously. The first significant change came in 1962 when there was a substantial increase in Romanian deliveries of glass and glassware. By 1965 Romania had added furniture and leather footwear to its exports to the United States so that manufactured goods accounted for almost 60% of these exports compared with only 3% in 1960. Over the next few years, the assortment of manufactured goods was expanded further to include textile articles, carpets and rugs, and clothing (see Table 2). Had it not been for the substantial deliveries of fuel oils in 1969, the share of manufactured goods would have increased to 69%, as it was, it fell to 45%.

6. The growth of exports of manufactured goods to the United States, however, has posed problems for Romania because in general US tariffs are higher for manufactured items than for crude materials or semimanufactures and are subject to greater discrimination because of the lack of MFN treatment. For example, furniture -- 10% of the 1969 imports -- was taxed at a rate of 40%-43% instead of the MFN rate of 8%-20%; and clothing -- 8% of US imports from Romania -- was subject to import duties of 35%-90% compared with MFN rates of 9%-39%* (see Table 2).

** Unless otherwise indicated all tariff rates are expressed ad valorem or in ad valorem equivalents derived from specific duties. Ad valorem equivalents are based on 1969 values of US imports from Romania.*

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7. Romanian exports to the United States have accounted for only a very small part of total Romanian exports to the developed West -- less than 2% in 1969. Many of the commodities that Romania exports to other developed countries are not exported to the United States or are exported in small quantities, partly because of denial of MFN treatment but also because of quota restrictions, lack of demand, and other reasons. Among the Romanian exports of significant size to the developed West in 1969, residual fuel oil and footwear were the only goods that found more than 20% of their export market in the United States (see the Appendix). If Romania received MFN treatment from the United States it would expand output of some of the commodities it now exports to the developed countries, and perhaps shift some existing exports from Western Europe to the United States.

Petroleum Products

8. Petroleum products account for more than 10% of Romanian exports to developed countries, amounting to \$46 million in 1969. The United States, however, imposes quantitative restrictions on imports of petroleum products, except residual fuel oil.

9. The United States imported almost \$900 million of residual fuel oil in 1969, mainly from the Western Hemisphere but including smaller quantities from the Middle East, Africa, and Europe, including Romania. In 1969, Romania exported 215,000 tons to the United States valued at \$2.6 million in spite of tariff discrimination, which is considerable for a product with such a small processing markup. The 1930 tariff rate for residual fuel oil is 11% compared with the MFN rate of 3% (*ad valorem* equivalents), and the granting of MFN treatment, as well as growing US demand might attract more Romanian fuel oil. Romanian production of residual fuel oil is expected to increase from almost 4 million tons in 1969 to about 6 million tons in 1975. How much of this will be made available for export and how much will be of the low sulfur variety is uncertain.

Wood and Wood Products

10. Romanian exports of wood and wood products to developed countries amounted to roughly \$80 million

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in 1969. or about 19% of total exports to these countries. Lumber exports accounted for about \$50 million, and round wood exports another \$6 million, but these exports have declined in recent years as Romania expanded output and exports of higher value goods such as paper, plywood, and furniture.

11. About two-thirds of the lumber exported to the developed countries is softwood lumber (fir and spruce), with hardwood making up the remainder (beech and oak). With MFN status, Romanian hardwood lumber might be sold in the United States, which currently imports such lumber from a number of countries. The current MFN rate is now 30¢ per 1,000 board feet (bf), and it will be reduced to zero in 1972. The 1930 rate is \$3.00 per 1,000 bf. Virtually all of US imports of softwood lumber -- about \$550 million in 1969 -- originate in Canada with virtually no other suppliers. Given the low value of this product relative to the cost of transportation, it is doubtful that Romania would attempt to compete in softwood lumber if MFN treatment is granted. The current MFN rate is 7¢ per 1,000 bf for spruce and 20¢ per 1,000 bf for fir; these rates will be zero by 1972. The 1930 rate is \$4.00 per 1,000 bf.

12. Romania has begun to expand exports of plywood, paper, and paperboard to the developed countries. Exports were only \$8 million in 1969 but are expected to rise. Currently the tariff differential is considerable and MFN treatment might attract substantially more than the \$75,000 worth exported to the United States in 1969.

13. Furniture is one of the products with the best prospects for exports to the United States. The Romanians have made substantial investments in this industry and have increased exports to the developed countries from about \$1 million in 1965 to almost \$11 million in 1969. Rapid growth also has taken place in exports to the United States in spite of significant tariff discrimination. Exports to the United States in 1969 were almost \$800,000, about four times their 1965 level.

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14. Romania traditionally exports food products to the developed countries. Throughout the 1960s -- in spite of other changes in the structure of Romanian exports -- food exports (including beverages) have accounted for roughly one-third of Romanian exports to this area and in 1969 were valued at \$124 million. Nearly all (98%) of Romanian food exports go to Western Europe. Meat and meat products (especially fresh, chilled, or frozen beef and pork) account for about one-fourth of these exports, with fruits and vegetables (largely fresh) making up another fourth. Grains (mainly wheat and corn) account for another one-fifth, and live animals (almost entirely calves exported to Italy) make up another fifth of the exports.

15. Much of the food exported to Western Europe would not sell in the United States because of perishability (fresh fruit and vegetables) or lack of demand (grain and live animals). Presumably some meat could be exported to the United States although it is subject to quantitative restrictions. There is a substantial difference between 1930 and current MFN rates for meat. Romania, however, now sells a small quantity of canned hams to the United States (about \$25,000 worth in 1969) on which there is no tariff discrimination.

16. Over the years Romania has exported small amounts of caviar, nuts, and spices to the United States, none of which were subject to discriminating tariffs. Some food products which Romania already sells to the United States are subject to higher tariffs, including wine, cheese (more than half a million dollars worth annually), dried fruit, and mushrooms. MFN status might attract larger quantities of these items.

Manufactured Consumer Goods

17. Romanian exports of manufactured consumer goods (other than furniture) to the developed countries increased from a few thousand dollars in 1960 to about \$26 million in 1969, when they accounted for 6% of Romanian exports to the developed countries. Major items included clothing (\$15 million) and footwear (\$5 million).

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18. Over the last five years -- even without MFN status -- Romania also has increased exports of manufactured consumer goods to the United States. By 1969, exports of leather shoes had risen in value to more than \$1 million and clothing to nearly \$700,000. The tariff differential for all these commodities is considerable. With MFN status, Romania might increase its exports of these goods to the United States substantially, but quantitative restrictions might be placed on both shoes and glass.

Metals

19. Romania has expanded and diversified its exports of metals and metal products to the developed countries in recent years. In 1960, pig iron was virtually the only such product exported to these countries, earning the Romanians roughly \$10 million in that year. By 1969, however, while pig iron exports were less than \$5 million, total exports of metals had reached nearly \$50 million (12% of total exports to the developed countries). The largest new items were rolled steel, worth about \$14 million, and aluminum and aluminum alloys, worth almost \$17 million. As the iron and steel complex at Galati nears capacity operation, exports of steel should grow further.

20. With MFN status, Romania might export some steel products and aluminum to the United States.* The tariff differential for unwrought aluminum -- 7¢ per pound compared with 1.5¢ per pound -- constitutes a significant barrier, and a similar situation obtains for steel products. Among the Communist countries, both Poland and Yugoslavia currently export aluminum and steel products to the United States and both are accorded MFN treatment.

* A US company, AMAX, recently concluded a \$10 million contract with Romania calling for US technology and some US equipment to build an aluminum sheet rolling mill in Romania. This mill will substantially increase Romanian output of aluminum sheet and foil.

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Machinery and Equipment

21. Romanian exports of machinery and equipment to the developed countries -- \$14 million in 1969, about 3% of the total -- consist mainly of metal working machine tools, ball and roller bearings, electric power machinery, and parts of motor vehicles, the latter apparently the product of a cooperative venture with Renault of France.

22. Since 1966 Romania has been exporting a few thousand dollars worth of machinery and equipment to the United States, including machine tools. The current tariff differential is considerable, and more Romanian equipment might be sold with MFN treatment, especially metal working machine tools for which the 1930 duty of 30%-40% contrasts with current MFN rates of 7%-12%. A cooperative venture, such as the agreement to provide automobile parts for incorporation into Renault vehicles, would also generate exports of Romanian machinery and equipment.

Probable Impact on Romanian Exports to the United States

23. The Romanians no doubt would like to correct the perennial imbalance in their trade with the United States and, in the event that MFN status is restored, they would evidently make a major effort to increase exports to the United States. The commodity with the greatest prospects for export expansion to the United States appears to be residual fuel oil. Furniture is another major export item likely to be pushed by Romania if granted MFN status. Other items which might be included in future Romanian exports to the United States are steel, aluminum, clothing, shoes, and certain other consumer items such as meat, wine, cheese, and handicraft products.

24. There are some major impediments to expansion of Romanian exports to the United States. To penetrate the US market on a substantial scale, especially for manufactured goods, the Romanians will have to cut prices to below the prevailing levels and thus possibly evoke dumping charges. Romanian sellers will have to familiarize themselves

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with the US market, and it will require time for US buyers to become accustomed to Romanian products.* On the other hand, Romanian products are unlikely to encounter widespread hostility from US business or from consumer groups.

25. Nevertheless, over a period of several years, Romania -- with MFN status -- probably could increase its exports to the United States by several times. The Polish experience may be indicative of the possibilities. Following the restoration of MFN treatment in 1960, Polish exports to the United States rose from \$38 million to \$66 million five years later and to about \$100 million currently. Romanian exports of fuel oil alone in the next two or three years may surpass the value of all Romanian exports to the United States in 1969. Thus a level of exports three to four times the 1969 level is conceivable by 1975. Even under optimal conditions, however, the value of Romania's exports to the United States will continue to be considerably less than its exports to Romania's chief West European customers: West Germany (exports in 1969, \$119 million), Italy (\$99 million), the United Kingdom (\$60 million), and France (\$59 million).

Conclusions

26. US-Romanian trade was little affected by the US withdrawal of MFN from the Communist countries in 1951. Romanian exports to the United States were less than a half million dollars, and most of the commodities sold to the United States were crude materials and other goods which faced little or no tariff discrimination. After 1961 the composition of these exports changed in favor of manufactured products, which thereafter accounted for most of the increase in Romanian exports to the United States. By 1969, Romanian exports to the United States had grown to \$8 million, and

* *Romania is now seeking to develop contacts leading to the creation of mixed companies for marketing Romanian food and furniture in the United States. Romanian delegations specializing in furniture, food, handicrafts, and light industrial goods are scheduled to visit the United States in 1971.*

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manufactured goods, most of which were subject to discriminatory tariffs, accounted for about one-half of the total.

27. Romania would like to reduce the perennial deficit in its trade with the United States by pushing for increased exports if MFN status is restored. The products most likely to be part of this growth are residual fuel oil and furniture, both of which have a large market in the United States. Other items which Romania may export to the United States in increasing quantities are steel, aluminum, clothing, shoes, and certain other consumer items such as meat, wine, cheese, and handicrafts. Increasing entry of Romanian goods into the US market, however, is limited by the Romanians' lack of knowledge of the US market and US buyers' unfamiliarity with Romanian products. In view of the increase in Romanian exports to the United States in the past five years without MFN treatment, the next five years should see an even more substantial growth if MFN status is granted -- perhaps three to four times the 1969 level. In any event, however, Romania's exports to the United States will remain small in comparison with its exports to its main West European trading partners.

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Table 1

US Trade with Romania a/

	Million US \$			
	<u>Exports</u> <u>b/</u>	<u>Imports</u> <u>c/</u>	<u>Total</u>	<u>Balance</u>
1948	7.5	0.5	8.0	7.0
1949	3.2	0.5	3.7	2.7
1950	2.0	0.2	2.2	1.8
1951	0.3	0.3	0.6	<u>d/</u>
1952	<u>d/</u>	0.7	0.7	- 0.7
1953	<u>d/</u>	0.4	0.4	- 0.4
1954	<u>d/</u>	0.4	0.4	- 0.4
1955	0.2	0.3	0.5	- 0.1
1956	0.5	0.4	0.8	0.1
1957	1.0	0.5	1.4	0.5
1958	0.9	0.4	1.2	0.5
1959	1.8	1.2	3.0	0.6
1960	1.3	1.5	2.7	- 0.2
1961	1.4	1.4	2.8	<u>d/</u>
1962	0.8	0.6	1.4	0.2
1963	1.2	0.8	2.0	0.5
1964	5.2	1.3	6.4	3.9
1965	6.4	1.8	8.2	4.5
1966	26.7	4.7	31.3	22.0
1967	16.8	6.2	23.0	10.6
1968	16.7	5.6	22.2	11.1
1969	32.4	8.0	40.4	24.4

a. Derived from US data. Because of rounding, components may not add to the totals shown.

b. Including re-exports.

c. F.o.b., general imports.

d. Less than \$100,000.

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Table 2

Romanian Exports to the United States and Applicable US Tariff Rates ^{a/}

	Thousand US \$			1930 Rate	Percent		
	1960	1965	1969		MFN Rate Prior to the Kennedy Round	MFN Rate 1969	MFN Rate 1972
Total	1,461	1,836	7,966				
Hams and shoulders, boned, cooked, in airtight containers	b/	b/	24	4	4	4	4
Fish, prepared, fresh, chilled, or frozen	b/	b/ 1	66	3	2	1	Free
Caviar	80	b/	1	30	30	24	15
Cheese	4	133	537	35	12-20	10-18	9-15
Walnuts, shelled	59	62	b/	32	32	32	32
Fruit, dried	b/	b/	41	22-67	10-67	10-67	8-67
Mushrooms, dried or otherwise prepared	33	92	50	55	24	16	13
Spices	49	25	42	c/	c/	c/	c/
Wine, still, grape, less than 14% alcohol	b/	2	4	80	24	24	24
Fur skins, undressed	31	45	18	Free	Free	Free	Free
Molasses, inedible	519	b/	b/	1	1	1	1
Poppy seed	b/	86	109	2	d/	d/	d/
Feathers and down	41	2	110	20	20	18	15
Herbs, roots, leaves, etc.	6	32	9	Free	Free	Free	Free
Manmade fibers, not carded nor combed	b/	b/	24	7-16 ^e	7-87	5-70	2-44
Manmade fibers, waste	b/	b/	39	10-118	5-24	4-19	2-12
Distilled fuel oils ^{e/}	b/	b/	87	11	3	3	3
Residual fuel oils	b/	b/	2,621	11	3	3	3
Benzene	b/	b/	147	Free	Free	Free	Free
Coal tar and coal tar products	345	b/	b/	Free	Free	Free	Free
Wood manufactures, excluding furniture	3	14	75	33-60	8-18	6-11	4-17
Fabrics, woven, of cotton and other vegetable materials ^{e/}	f/	f/	70	30-45	6-30	5-28	3-25
Sheets and pillow cases	f/	b/	201	90	30-45	28-40	18-34
Carpets and rugs, wool, hand knotted	f/	8	90	35-45	14-22	12-18	10-11
Drawn or blown glass, unworked ^{g/}	b/	325	135	50-90	25-45	25-45	25-45
Glassware	15	159	210	60	21-40	16-32	10-20
Rubber tires and tubes	b/	31	6	10-30	8-10	6-8	4-5
Furniture	1	216	766	40-43	10-26	8-20	5-12
Handbags and travel goods, leather	b/	1	40	35	16-20	12-16	8-10
Footwear, leather	b/	278	1,188	20	10-17	9-17	8-17
Clothing, men's and boy's	b/	b/	555	35-45	10-25	9-23	8-21
Clothing, women's and girl's	b/	2	103	38-90	10-42	9-39	8-35
Paintings, engravings, sculpture, etc.	7	140	24	Free	Free	Free	Free
Stamps, postage and revenue	115	82	169	Free	Free	Free	Free
Handbags, luggage, etc., of unspun fibrous vegetable material	b/	26	58	50	17-34	14-30	8-25
Other	153	74	342	N.A.	N.A.	N.A.	N.A.

a. Rates are given in ad valorem equivalents for items subject to specific and compound duties. These rates are derived from 1969 US import statistics. All tariff rates are rounded to the nearest percent. Trade values are also taken from US trade statistics.

b. No imports or none reported.

c. Coriander enters duty free; for paprika the 1930 rate and the MFN rate are the same at 5¢ per lb.

d. Less than 1/2%.

e. Quota restrictions.

f. Less than \$500.

g. MFN rate raised temporarily to 44%-77% ad valorem equivalent.

APPENDIX

Exports of Selected Goods by Romania to the Developed Western Countries, ^{a/}
 US Imports of These Goods from the World, and Applicable US Tariff Rates

Commodity ^{b/}	Applicable US Tariff Rates				1969 (Million US \$)		
	MFN: Kennedy Round Stages Rates				Romanian Exports		
	1930	Prior To the Kennedy Round	1969	1972	To Developed Western Countries	To the United States	Total US Imports ^{c/}
Total					419.5	8.0	N.A.
Of which:							
Food and beverages					123.5	0.8	N.A.
Of which:							
Beef cattle, live, under 200 lb each (lb)	2.5¢	1.5¢	1.5¢	1.5¢	23.3	0	103
Bee, fresh, chilled or frozen (lb)	6¢	3¢	3¢	3¢	16.1	0	483
Pork, fresh, chilled or frozen	2.5¢	1.25¢	1¢	0.5¢	5.5	0	21
Meat, in air tight container, for example, hams (lb)	3¢	3¢	3¢	3¢	5.2	d/	314
Cheese	35%	12%-20%	10%-18%	9%-15%	0.8	0.5	67
Wheat	10%	5%	5%	5%	12.3	0	3
Corn (bushel)	25¢	25¢	25¢	25¢	14.4	0	2
Fruit, dried	22%-67%	10%-67%	10%-67%	8%-67%	1.4	d/	6
Fruit, preserved and fruit preparations	35%	6%-35%	5%-35%	3%-35%	5.5	d/	96
Tomatoes, fresh (lb)	3¢	1.5¢-2.1¢	1.5¢-2.1¢	1.5¢-2.1¢	8.4	0	68
Other vegetables, fresh or dried	Free-50%	Free-21%	Free-18%	Free-17.5%	4.0	0	66
Spices	e/	e/	e/	e/	0.2	d/	51
Wine of fresh grapes (gal)	\$1.25	37.5¢	37.5¢	37.5¢	1.3	d/	112
Wood and wood products, including furniture					80.2	0.8	N.A.
Of which:							
Wood in the rough, or roughly squared	Free	Free	Free	Free	6.4	0	30
Lumber, sawn, planed, etc., conifer (1,000 bf)	\$4.00	35¢-\$1.00	21¢-60¢	Free	35.5	0	546
Lumber, sawn, planed, etc., non-conifer (1,000 bf)	\$3.00	\$1.50	90¢	Free	14.7	0	77
Plywood, including veneer panels (1,000 bf)	40%	20%	16%	10%	4.6	0	250
Wood manufactures (1,000 bf)	33%-60%	8%-18%	6%-17%	4%-17%	0.7	d/	138
Machine-made printing paper, uncoated (lb)	0.25¢+	0.17¢+	0.13¢+	0.08¢+	1.5	0	42
	10%-30%	4%-12%	3%-8%	2%-6%			
Kraft paper and kraft paperboard	10%-30%	5%	3%	Free	2.2	0	10
Fiberboards and building boards of pulp and vegetable fiber	10%-30%	3%-5.5%	1.5%-4%	Free-2.5%	1.0	0	22
Furniture	10%-30%	10%-25%	10%-25%	10%-25%	0.7	0.8	192

Commodity ^{b/}	Applicable US Tariff Rates				1969 (Million US \$)		
	MFN: Kennedy Round Stages Rates				Romanian Exports		
	1930	Prior To the Kennedy Round	1969	1972	To Developed Western Countries	To the United States	Total US Imports ^{c/}
<u>Petroleum products ^{f/}</u>					45.5	2.7	N.A.
Of which:							
Distillate fuels (gal)	0.5¢	0.125¢	0.125¢	0.125¢	22.3	d/	38
Residual fuel oils (gal)	0.5¢	0.125¢	0.125¢	0.125¢	13.0	2.6	871
<u>Chemicals</u>					22.0	0.2	N.A.
Of which:							
Organic chemicals					10.0	g/	g/
Hydrocarbons and their derivatives	Free-25%	Free-10.5%	Free-8%	Free-5%	2.5	g/	g/
Alcohols, phenols, pheno-alcohols, glycerine (lb)	1¢-6¢+ 30%	0.4¢-3¢+ 15%	0.3¢-2.4¢+ 12%	0.2¢-1.5¢+ 7.5%	5.1	g/	g/
Nitrogenous and phosphate fertilizers, manufactured	Free	Free	Free	Free	5.5	0	46
Plastics (lb)	7¢+45%	2.8¢+18%	2.2¢+14%	1.4¢+9%	2.7	g/	g/
<u>Ferrous and nonferrous metals and manufactures</u>					49.8	0	N.A.
Of which:							
Pig iron, including cast iron (ton) ^{h/}	\$1.25	20¢	12¢	Free	4.3	0	18
Bars and rods of iron or steel, except wire rod (lb) ^{h/}	1.5¢-28%	0.5¢-14.5%	0.5¢-12.5%	0.5¢-10.5%	1.4	0	164
Angles, etc., of iron or steel (lb) ^{h/}	0.2¢-28%	0.1¢-12.5%	0.1¢-11%	0.1¢-9.5%	0.9	0	165
Universals, etc., of iron or steel excluding plate or sheet (lb) ^{h/}	0.2¢-28%	0.1¢-12.5%	0.1¢-11%	0.1¢-9.5%	13.5	0	8
Tubes, pipes, and fittings of iron or steel (lb) ^{h/}	0.2¢-45%	0.1¢-22.5%	0.1¢-18%	0.1¢-11%	1.5	0	275
Silver, unworked, or partly worked	65%	21%-50%	16.5%-40%	10.5%-25%	2.3	0	72
Copper, refined, including remelted (lb of copper content)	4¢	1.7¢	1.3¢	0.8¢	3.4	0	133
Aluminum and aluminum alloys, unwrought (lb)	5¢-7¢	2.125¢-2.5¢	1.5¢-2¢	1¢-1.2¢	16.6	0	215

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Commodity ^{b/}	Applicable US Tariff Rates				1969 (Million US \$)		
	MFN: Kennedy Round Stages Rates				Romanian Exports		
	1930	Prior To the Kennedy Round	1969	1972	To Developed Western Countries	To the United States	Total US Imports ^{c/}
<u>Animal and vegetable oils and fats</u>					16.7	0	N.A.
Of which:							
Sunflower seed oil (lb)	4.5¢- 4.5¢+20%	1.8¢-1.8¢+ 8%	1.4¢-1.4¢+ 6.4%	0.9¢-0.9¢+ 4%	15.8	0	0.2
<u>Other crude materials</u>					28.4	0.3	N.A.
Of which:							
Tobacco, unmanufactured (lb)	35¢	12.75¢	12¢	11.5¢	1.4	0	117
Fur skins, undressed	Free	Free	Free	Free	0.4	d/	94
Oil seeds, oil nuts, and kernels (lb)	Free-3¢	Free-3¢	Free-2.4¢	Free-1.5¢	7.1	0.1	59
Synthetic rubber and rubber substitutes	20%	65%	5%	3%	3.5	0	38
Synthetic and regenerated artificial fibers (lb)	25%-45¢+ 65%	15%-25¢+ 30%	12%-20¢+ 24%	7.5%-12.5¢+ 15%	2.2	d/	50
Aluminum waste and scrap (lb)	4¢	1.5¢	1.2¢	0.7¢	1.3	0	11
Feathers and down, crude	20%	20%	18%	15%	g/	0.1	2
<u>Machinery and transportation equipment</u>					13.5	d/	N.A.
Of which:							
Power generating machinery, other than electric	35%	10%	8%	5%	0.6	0	603
Agricultural tractors	Free	Free	Free	Free	0.7	0	93
Metalworking machine tools	30%-40%	12%-20%	9.5%-16%	6%-10%	2.8	0	157
Ball, roller, or needle roller bearings (lb)	35%-10¢+ 45%	12%-3.4¢+ 15%	9.5%-2¢+ 12%	6%-1.7¢+ 7.5%	1.2	0	68
Electric power machinery	35%-90%	8.5%-50%	7%-40%	5%-25%	1.1	0	118
Motor vehicle parts, excluding motorcycles	10%-35%	3%-10%	1.5%-8%	Free-5%	3.4	0	532

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Commodity ^{b/}	Applicable US Tariff Rates				1969 (Million US \$)		
	MFN: Kennedy Round Stages Rates				Romanian Exports		
	1930	Prior To the Kennedy Round	1969	1972	To Developed Western Countries	To the United States	Total US Imports ^{c/}
<u>Manufactured consumer goods (excluding furniture)</u>					25.5	2.7	N.A.
Of which:							
Travel goods, handbags, etc.	35%-50%	16%-35%	12%-35%	8%-35%	0.4	d/	97
Clothing	35%-90%	10%-42%	9%-39%	8%-35%	15.3	0.7	1,094
Footwear	20%	10%-17%	9%-17%	8%-17%	5.4	1.2	488
Made-up textile articles	40%-90%	8%-45%	6%-40%	4%-34%	0.6	0.2	62
Carpets and rugs, wool, knotted	35%-45%	14%-22%	12%-18%	10%-11%	2.0	d/	27
Glassware	60%	21%-40%	16%-32%	10%-20%	1.1	0.2	62
<u>Other manufactured goods</u>					11.9	0.2	N.A.
Of which:							
Rubber tires and tubes for vehicles and aircraft	10%-30%	8%-10%	6%-8%	4%-5%	1.4	d/	147
Cotton fabrics, woven ^{i/}	30%-45%	6%-30%	5%-28%	3%-25%	3.2	0	174
Textile fabrics, woven vegetable fiber, not cotton (lb)	1¢-45¢+	0.5¢-25¢+	0.3¢-20¢+	Free-12.5¢+	1.7	d/	506
	70%	22.5%	18%	11%			
Glass, unworked (lb)	1.5¢-2.8¢	0.7¢-1.4¢	0.7¢-1.4¢	0.7¢-1.4¢	1.0	0.1	119
<u>Other unspecified</u>					2.5	d/	N.A.

a. Derived from statistics of the Organization for Economic Cooperation and Development. These figures are c.i.f., except for US, which are f.o.b.

b. For commodities subject to specific or compound (such as specific plus ad valorem) duties, the unit on which the specific duty is based is given.

c. Rounded to the nearest million dollars.

d. Less than \$100,000.

e. Coriander enters duty free; for paprika the 1930 rate and the MFN rate are the same at 5¢ per lb.

f. Except for residual fuel oil, subject to quantitative restrictions.

g. Not reported.

h. Plus additional duties based on content of alloying materials.

i. Subject to quantitative restrictions.